

RESOLUTION

A RESOLUTION AMENDING THE ECONOMIC DEVELOPMENT INCENTIVE POLICY BY CREATING A “LOCAL BUSINESS INVESTMENT POLICY” IN THE CITY OF ANKENY, IOWA

WHEREAS, the City Council of the City of Ankeny, Iowa, has adopted an Economic Development Policy as part of its long term goal for Ankeny to serve as a regional business center; and

WHEREAS, the national and global economies are currently struggling and are projected to have a long period of slow growth; and

WHEREAS, Ankeny has many successful businesses with opportunities for continuing their growth; and

WHEREAS, the businesses are concerned about the instability of the economy and need to forecast long term cost structures before investing in new facilities; and

WHEREAS, a financial incentive from the City to local businesses that invest in expansion of facilities and employment over the next twenty-four months will address their concerns and encourage local business investment in Ankeny; and

WHEREAS, the City Council of the City of Ankeny wishes to amend the adopted policy by revising the purposes of the established “Economic Development Fund” to include a “Local Business Investment Policy” providing financial assistance to businesses that create new jobs and make significant new investments in Ankeny;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ANKENY, IOWA, that the existing Policy on the City’s Incentive Offerings for Industrial Development is hereby amended by allowing a “Local Business Investment Policy” authorizing use of the “Economic Development Fund,” at the discretion of the Ankeny City Council, to be used to provide financial incentives for up to ten years, subject to the following:

1. Businesses proposing a project for incentives under the “Local Business Investment Policy” must meet these minimum criteria:
 - a. The business is one of the City’s targeted industries of Advanced Manufacturing, Bioscience, Logistics, Information Technology and Business Services;
 - b. The business’ primary market is outside the City of Ankeny;
 - c. The business operates in a facility within the Ankeny city limits;
 - d. The business invests in a facility within the Ankeny city limits;

2. The City Council will consider providing financial incentives to qualified businesses including property tax exemption, property tax rebates, grants and loans.
3. In determining the level of financial incentives available to a business that qualifies for assistance under this policy, the City Council will consider:
 - a. The level of increase in assessed valuation that an investment in facilities will produce;
 - b. The City's ability to capture incremental tax revenue associated with a qualifying business' project;
 - c. The permanence of investments in machinery and equipment at a facility in the City of Ankeny;
 - d. The number of employment positions above 130% of the average regional wage that the business plans to retain and/or create;
 - e. The proportion of sales revenue generated from the facility outside of Ankeny;
 - f. Financial incentives that are currently in place for a qualified business.
4. Incentives offered to businesses under the "Local Business Investment Policy" shall be subject to the following schedule and restrictions:
 - a. The development agreement for a project proposed by a qualifying business must be approved within twenty-four months of the date of this resolution;
 - b. The amount of incentives will be restricted by the City's ability to capture tax increment funds from the project which will include but may not be limited to the following:
 - i. The Polk County Assessor's determination of a project's eligibility for property tax exemption and/or abatement;
 - ii. The amount of tax increment collectable from the project on an annual basis after any abatement of property taxes and valuation by the Polk County Assessor;
 - iii. Amendments to State of Iowa laws that limit or revise the amount of tax increment funds available to the City from the project;
 - iv. Expiration of the Urban Renewal Plans and Areas in the project location;
 - v. Limitations established by the City Council in the adopted City's adopted Financial Policy;

City staff is hereby directed to administer this amendment to the adopted policy and the Economic Development Policy as amended is and shall be the policy of this City until amended or repealed by the Council.

PASSED AND APPROVED on the 7th day of September, 2010.

Steven D. Van Oort, Mayor

ATTEST:

Pamela DeMouth, City Clerk